

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2459-03
BILL NO.: SCS for SB 545, 628, 647, 728, 832 and 834
SUBJECT: Special License Plates
TYPE: Original
DATE: February 18, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Highway Fund	\$2,435	\$12,713	\$12,713
Total Estimated Net Effect on <u>All</u> State Funds	\$2,435	\$12,713	\$12,713

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$3,969	\$4,238	\$4,238

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

The **Department of Transportation (DOT)** concurs with the Department of Revenue's response to this proposal.

The **Department of Revenue (DOR)** assumes the provisions of this proposal create three new license plate types to be known as Native American, Wilson's Creek National Battlefield and Shriners. It also allows Korean War license plates to be issued to additional weight categories of vehicles and exempts retired military from paying the \$15 personalized plate fee on any personalized license plate they obtain. DOR would require the services of one (1) Clerk Typist II's for 75 hours of overtime to process additional plate applications, for a total cost of \$1,053 in FY01. The Clerk Typist II's responsibilities would include, editing, correspondence, validation, key entry, telephone and customer walk-in assistance.

In addition, DOR would incur expenses in the amount of \$4,398 for policy and procedure changes, forms and postage, and \$4,020 for plates and tabs for FY01.

Elimination of Personalized Plate Fee for Retired Military Personnel

The DOR assumes this proposal eliminates the additional fee for special plates issued to retired military personnel.

The DOR currently has issued 46 personalized retired military plates. Based on the current issue of retired military plates the DOR estimates this proposal would have minimal administrative impact and minimal revenue loss. However, there are approximately 30,000 retired military persons in Missouri that could qualify for this plate and if a significant number of retired military apply for this plate there would be administrative impact to the DOR to produce more sets of license plates.

Increased Weight limit for Korean War Veterans Plates

This proposal provides for increasing the weight limit for Korean plates. The Motor Vehicle Bureau has only issued 24 of these plates, therefore this proposal would have a minimal impact on revenues. This would have a minimal impact on the Department of Revenue and could be implemented with existing resources. The revenue generated from the additional \$15 fee would also have minimal impact.

ASSUMPTION (continued)

Native American Plate

The Motor Vehicle Bureau (MVB) stated that there would only be approximately 100 applications for this type of license plate.

100 additional license plate applications

Wilson's Creek National Battlefield

The DOR assumes the fiscal impact of this proposal would be minimal. According to the Civil War Battlefield National Foundation, it has a membership of 400. The DOR assumes 10% of the membership may apply for the new plates, equaling approximately 40 plate applications.

400 X 10% = 40 additional license plate applications

Shriners Plate

Motor Vehicle Bureau (MVB) stated the Shriners have indicated that as of November 1999 there were approximately 19,791 members. They indicated approximately 5%, or 989 members would apply for this type of license plate.

19,791 x 5% = 989 additional license plate applications

Total number of additional license plates = 1,129

The option for biennial motor vehicle registration begins July 1, 2000. Therefore, the following projections are based on the estimated number of individuals that will choose biennial per year. The Department anticipates that approximately 25% of the individuals offered biennial registration will choose it. (Even numbered vehicles will be offered in even number years and odd numbered vehicles will be offered in odd number years.)

FY01

\$15,875 x 75% = \$11,906 Highway Fund
\$15,875 x 15% = \$ 2,381 Cities
\$15,875 x 10% = \$ 1,588 CART

FY02 and 03

\$16,950 x 75% = \$12,713 Highway Fund
\$16,950 x 15% = \$ 2,543 Cities
\$16,950 x 10% = \$ 1,695 CART

FISCAL IMPACT - State Government FY 2001 FY 2002 FY 2003

(10 Mo.)

HIGHWAY FUND

Income - DOR

Specialty License Plate fee	\$11,906	\$12,713	\$12,713
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Cost - DOR

Clerk Typist II - overtime	(\$1,053)		
Forms - printing and postage	(\$4,398)	\$0	\$0
Plates and tabs	(\$4,020)	\$0	\$0
Total Costs - DOR	(\$9,471)	\$0	\$0

**ESTIMATED NET EFFECT ON
 HIGHWAY FUND**

<u>\$2,435</u>	<u>\$12,713</u>	<u>\$12,713</u>
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FISCAL IMPACT - Local Government

	FY 2001	FY 2002	FY 2003
	(10 Mo.)		

Income - Additional Fee

Cities	\$2,381	\$2,543	\$2,543
County Aid Road Trust Fund	\$1,588	\$1,695	\$1,695

<u>\$3,969</u>	<u>\$4,238</u>	<u>\$4,238</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal allows for special license plates for Native Americans. To obtain this special plate a person must obtain an application from the Director of Revenue and provide proof of Indian ancestry or tribal membership.

This proposal allows individuals to get special license plates to help the Wilson's Creek National Battlefield Foundation. A \$25 emblem use contribution would be made annually to the Foundation by any individual wanting the special plates. All other normal fees would apply, including the fee for personalized plates.

DESCRIPTION (continued)

L.R. NO. 2459-03
BILL NO. SCS for SB 545, 628, 647, 728, 832 and 834
PAGE 5 OF 5
February 18, 2000

This proposal allows owners of vehicles, other than owners of apportioned motor vehicles or commercial motor vehicles in excess of 18,000, to apply for Korean War Veteran license plates. Under the current law, only owners of passenger motor vehicles or owners of non-local property carrying commercial motor vehicles between 9001-12,000 pounds may apply for a Korean War Veteran license plate.

This proposal allows for special license plates for the Ancient Arabic Order, Nobles of the Mystic Shrine of North America (Shriners). To obtain the plate, an emblem-use authorization statement must be obtained from the Shrine Temple (\$25 contribution) and presented to the Department of Revenue along with the fee required for personalized license plates and other fees and documents required by law. Any contribution to the Shrine Temple derived from authorization statements, less administrative cost, will be contributed to the Shriners Hospitals for Crippled and Burned Children.

This act exempts retired members of the United States Army, Navy, Air Force, Marines, or Coast Guard from paying the personalized license plate fee when purchasing "RETIRED MILITARY" license plates.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
Department of Revenue



Jeanne Jarrett, CPA
Director
February 18, 2000